

entity for which the EIN is listed in Item 2.

Item 7 requires the name of a contact person for the applicant. This person should be able to answer questions regarding the information included on this form.

Item 8 requires the contact person's address, telephone number, if different from Item 6, as well as the contact person's fax number and E-mail address.

Block 2: Eligibility

Item 9 requires the applicant to identify whether it is located in a rural area. As explained above, the Federal Communications Commission uses lists published by the Office of Management and Budget (OMB) and the Office of Rural Health Policy of the U.S. Department of Health and Human Services (ORHP/HHS) to identify rural areas (see "Filing Requirements and General Instructions"). These lists, along with instructions, can be found at the Rural Health Care Corporation's website at <<http://www.rhccfund.org>>. You may also call the Rural Health Care Corporation at 1-888-203-7300 to obtain this information. In general, an applicant must be located in an area identified as rural by OMB or ORHP/HHS in order to benefit from universal service support. See "Filing Requirements and General Instructions" for details on how to make this determination.

Item 9a: Applicants that are located in an area that meets the definition of rural should check Item 9a. If an applicant is a consortium that includes health care providers that are located in a rural area, it should check Item 9a.

Item 9b: Applicants that are not located in a rural area, but cannot obtain toll-free access to an Internet service provider may apply to receive such access and should check box 9b.

Item 10 requires the applicant to check the box indicating the category that best describes the applicant. *Check only one box.*

Item 10a: A "rural health care provider" is a health care provider that is located in a rural area as defined by OMB and ORHP/HHS (see "Filing Requirements and General Instructions"). *Applicants checking this box should also complete Item 11.*

Item 10b: A health care provider that is not located in a rural area is generally not eligible to benefit from universal service. If a health care provider is not located in a rural area but cannot obtain toll-access to an Internet service provider, it may be able to receive limited support for obtaining such access. *Applicants checking this box should also complete Item 11.*

Item 10c: An eligible health care provider may apply to receive supported

services with certain other entities as part of a consortium. *Consortia consisting of an eligible health care provider and the following public sector entities should check Item 10c and should also complete Item 12:*

- other eligible health care providers;
- schools, libraries and library consortia that are also eligible to benefit from universal service support; and
- public sector or governmental entities (such as a state governmental agency or a state university).

Item 10d: Health care providers that are part of a consortium that includes private sector entities are generally not eligible to benefit from universal service support. Examples of private sector entities include for-profit hospitals or doctors' offices, banks, and other commercial institutions. ***In general, no members of consortia that include private sector entities may benefit from universal service support.*** There is one exception to this rule: an eligible health care provider that forms a consortium that includes private sector entities may benefit from universal service support if the consortium receives services at tariffed or generally available rates. In that situation, the consortium is not receiving any special rates. Generally, consortia negotiate to receive below-tariff rates; this is one of the benefits of forming a consortium. ***A health care provider that is a member of a consortium that includes private sector entities and receives, or will receive, service at tariffed rates should check Item 10d and should complete Item 12. In this situation, only the eligible health care provider, and not the private sector or ineligible consortium members, may benefit from universal service support.***

Item 11 *Applicants must complete Item 11 only if they checked Item 10a or 10b.* Only health care providers that fall into the categories listed in Item 11 are eligible to benefit from universal service support (see "Filing Requirements and General Instructions"). *The applicant must identify what type of entity it is by checking only one of the boxes in Item 11.*

Item 12 *Applicants must complete Item 12 only if they checked Item 10c or 10d.* Applicants applying as part of a consortium must provide information about the consortium members. Federal EIN (Item 12a) and name (Item 12b) of each member of the consortium must be listed. In addition, the applicant must identify the type of entities (Item 12c) that are participating in a consortium (e.g., school, health care provider, local fire department, private sector entity). As discussed above, private sector entities include for-profit or private health care providers as well as commercial businesses. The zip code (Item 12d), contact name, phone number and address (Item 12e) of each consortium member must also be provided. Finally, applicants must list the name of the nearest large city within the same state as the consortium member (Item 12f). "Nearest large city" is defined as the city of at least 50,000 that is nearest to the consortium member in the state where the consortium member is located. A list of all cities with populations of at least 50,000 is provided on the Rural Health Care

Corporation's website at <<http://www.rhccfund.org>> or you may obtain this information by calling the Rural Health Care Corporation at 1-888-203-7300.

Block 3: Description of Services Requested

Item 13 Applicants may complete Item 13a and/or Item 13b to identify the requested services. Item 13a sets forth a specific list of types of services that the applicant may request. Item 13b enables the applicant to list a general description of the types of services it seeks, or the types of applications for which it intends to use the requested services.

Pursuant to sections 54.613(a) and (b) of the Federal Communications Commission's rules, universal service support is limited to telecommunications service using a bandwidth capacity of 1.544 Mbps, or any service or combination of services with transmission capacities of less than 1.544 Mbps as long as the total annual amount for all services combined does not exceed the cost of a service using a 1.544 Mbps capacity.

Item 13a permits the applicant to indicate which telecommunications services it wishes to purchase. When the Rural Health Care Corporation receives an applicant's Description of Services Requested and Certification Form (FCC Form 465), the Rural Health Care Corporation will post the form on the universal service website so that telecommunications carriers may contact the applicant with bids to provide the requested services. Therefore, it is important that an applicant consider which telecommunications services are necessary to offer the medical applications needed.

For support purposes, each eligible health care provider is limited to one telecommunications line that has 1.544 Mbps (T-1) capacity, or several lines with lesser bandwidth, as long as the cost of those lines does not exceed the cost of one line with 1.544 Mbps bandwidth capacity. *The applicant should indicate either: (1) that it wishes to subscribe to a telecommunications line with 1.544 Mbps capacity, or; (2) that it wishes to subscribe to one or more than one telecommunications lines with lesser bandwidth.* If the applicant selects option (2), it must work with the telecommunications service providers that respond to its request for service to determine whether the cost of the services desired would exceed the cost of the telecommunications line with 1.544 Mbps capacity. Telecommunications service providers are required to work with the Rural Health Care Corporation to determine the rural and urban rates and allowable distances for telecommunications services; health care providers are not required to make these calculations.

Item 13b permits an applicant to identify telecommunications services that are not specified in Item 13a. Item 13b may also be used to describe the medical application the applicant seeks to provide. For example, an applicant that seeks the capacity to transmit data and medical images such as X-rays may describe this requirement in Item 13b, rather than check one of the specific telecommunications services listed under Item 13a. Other examples of medical applications that may be listed in Item 13b include: health care provider-to-provider consultation between professionals in a rural hospital and professionals in other

locations; provider-to-patient consultation, including examination and counseling; and high-speed transmission of medical images.

Item 14 requires an applicant to indicate whether there are state or local procurement rules it is required to follow. In Item 14, the applicant should provide a brief description of any state or local procurement rules or requirements with which it is required to comply. Under section 54.603(a) of the Federal Communications Commission's rules, applicants must comply with any applicable state or local bidding or procurement requirements in addition to those requirements established by the Federal Communications Commission.

Item 15a requires the applicant to indicate whether it can obtain toll-free access to an Internet service provider. As explained above in these instructions (see "Filing Instructions and General Requirements"), an applicant that is a public or non-profit health care provider that falls within one of the categories of eligible health care providers, but is not located in a rural area is entitled, along with health care providers located in rural areas, may receive limited toll-free access to an Internet service provider. *Only applicants that answer "no" to Item 15a should complete Item 15b.*

Item 15b requires an applicant that cannot obtain toll-free access to an Internet service provider to indicate the monthly toll charge incurred for 30 hours of access to an Internet service provider. Under section 54.621 of the Federal Communications Commission's rules, eligible health care providers are entitled to receive toll-free access to an Internet service provider for up to 30 hours per month or up to \$180 in toll charge credits per month, whichever is less.

Block 4: Supplemental Information

Item 16 requires the applicant to name the nearest large city. "Nearest large city" is defined as the nearest city within the applicant's state with a population of 50,000 or greater. A list of all cities with populations of at least 50,000 is provided on the Rural Health Care Corporation's website at <<http://www.rhccfund.org>> or you may obtain this information by calling the Rural Health Care Corporation at 1-888-203-7300. *Consortia should list the nearest large city for each member in Item 12.*

Item 17a requires the applicant to indicate whether it is a party to an existing contract for telecommunications services. *Applicants that answer "yes" should complete Item 17b.*

Item 17b requires an applicant that has answered yes to Item 17a to provide details regarding its existing service contract or contracts. An applicant must provide (1) the name of each service provider with which it currently contracts for telecommunications or Internet services; (2) the contract number; (3) the contract award date (the day the contract was signed); (4) the contract expiration date for any existing contract; and (5) a description of the services subject to the contract (e.g., long distance service, ISDN service).

Block 5: Certification

Item 18 requires an authorized representative of the applicant to certify that the telecommunications services and access to Internet it purchases at supported rates will not be used for unauthorized purposes. Specifically, an applicant must certify that such services will be used solely for purposes reasonably related to the provision of health care service or instruction that the health care provider is legally authorized to provide under the law of the state in which the services are provided. An applicant must also certify that the services it receives will not be sold, resold, or transferred in consideration for money or any other thing of value.

Item 19 requires the individual signing on behalf of the applicant to certify that the applicant satisfies each of the specific requirements set forth on the Description of Services Requested and Certification (FCC Form 465) and that the applicant will abide by the relevant requirements of 47 U.S.C. § 254.

Item 20 requires the individual signing on behalf of the applicant to certify that he or she is authorized to submit the information contained in the Description of Services Requested and Certification Form (FCC Form 465) on behalf of the entity or entities (if applying as a consortium) applying for supported telecommunications services. The individual signing on behalf of the applicant must certify that the information contained in FCC Form 465 is true to the best of his or her knowledge, information and belief. *Persons willfully making false statements on this form can be punished by fine, forfeiture, or imprisonment under federal law.*

Item 21 requires the signature of the individual certifying the information contained in FCC Form 465 on behalf of the applicant.

Item 22 requires the date the FCC Form 465 was signed.

Item 23 requires the printed name of the individual certifying the information contained in FCC Form 465 on behalf of the applicant.

Item 24 requires the title or position of the individual certifying the information contained in FCC Form 465 on behalf of the applicant.

REMINDERS

- All health care providers seeking to benefit from universal service support must file FCC Form 465.

- The individual authorized to provide the information required by FCC Form 465 on behalf of a health care provider or consortium must sign and date FCC Form 465.

- Provide data for all items that apply. If there are items on FCC Form 465 that are not applicable, fill in "N/A." Attach additional sheets if necessary. Any attachments to FCC Form 465 must be clearly labeled.

**SEPARATE STATEMENT OF
COMMISSIONER MICHAEL K. POWELL**

Re: Fourth Order on Reconsideration, Federal-State Joint Board on Universal Service (CC Docket No. 96-45), Report and Order, Access Charge Reform, Price Cap Review for Local Exchange Carriers, Transport Rate Structure and Pricing, End User Common Line Charge (CC Docket Nos. 96-262, 94-1, 91-213, 95-72).

I write separately to explain the bases upon which I agree with this *Fourth Order on Reconsideration*. While I believe that this Commission needs to re-examine some of the central issues involved in universal service, those issues are not squarely presented in this order. Rather, this order makes minor adjustments to a universal service framework that, if one assumes the framework is valid, are themselves relatively unobjectionable. Consequently, I concur in the actions taken here pending further review of the framework itself.

On previous occasions, I have made clear my support for the universal service programs that it is this Commission's duty to implement under the Telecommunications Act of 1996. I wish to reaffirm that support now. The Act requires that the services designated for universal service support be "available at just, reasonable and affordable rates" in "all regions of the Nation, including low-income consumers and those in rural, insular and high cost areas." 47 U.S.C. § 254(b)(1), 254(b)(3). Further, the Act requires this Commission to establish programs whereby schools, libraries and rural health care providers may receive services at discounted rates. 47 U.S.C. § 254(h)(1). In addition, the Act requires this Commission to ensure that there are "specific, predictable and sufficient Federal and State mechanisms to preserve and advance universal service." 47 U.S.C. § 254(b)(5). I wholeheartedly endorse the overall goals of these statutory provisions, and I know that the public interest will be well-served if we remain faithful to the intent of these and other provisions in implementing universal service programs.

At the same time, I firmly believe that programs as immense and complex as these, no matter how worthy, should be subject to a constant and searching scrutiny. Such scrutiny is critical for a number of reasons. First, because universal service programs will be funded by the telecommunications industry, in which the Act compels us to promote competition, I believe we must diligently police the growth of universal service programs, lest such growth imperil carriers' efforts to bring the benefits of competition and innovation to consumers. In particular, we must limit carriers' contributions to universal service to the amounts absolutely necessary to fulfill the universal service statutory mandate. If subsidy programs get out of hand, they can dramatically raise competitors' costs and skew the economic incentives to enter markets. While in this order the Commission misses an opportunity to review the assumptions and structural underpinnings of the *Universal Service Report and Order*,¹ certain

¹ Federal-State Joint Board on Universal Service, *Report and Order*, CC Docket No. 96-45, FCC 97-157, 12 FCC Rcd 8776 (rel. May 8, 1997).

aspects of the order, such as the conclusions that the schools and libraries program will not fund either the purchase of wide area networks or internal connections in non-instructional buildings, appear, at least, not to expand the scope of universal service programs.

Second, because section 254 provides no basis for the Commission to favor certain classes of recipients over others with respect to the level or timing of universal service support flows, *see generally* 47 U.S.C. § 254, I believe that the various recipients of universal service support are all equally entitled to benefit from such support. I think it is imperative that we not allow some universal service programs to take priority over others.

Yet this order does not reach some of the more fundamental questions regarding universal service that were reached by our predecessors, but which the new Commission has not had a full opportunity to address. I am concerned, for example, that some universal service programs (schools, libraries and rural health care) will draw on both interstate and intrastate revenues and provide both interstate and intrastate support, whereas some programs will draw from only interstate revenues and provide only interstate support (high cost and low income). Similarly, I am concerned that our current interpretation of section 254(h)(2) and other provisions offers little guidance or discipline to this agency with respect to the range of "advanced services" (beyond Internet access and internal connections) that the Commission may ultimately determine must be supported by universal service subsidies. I do not doubt that the previous Commission felt that these approaches were reasonable ones, but given the size and importance of these programs, I feel it is my obligation to turn a fresh pair of eyes to these topics, if only to comfort myself that my predecessors did, indeed, decide these issues wisely.

As I have stated elsewhere, I am troubled that we are rushing to put in place mechanisms and procedures for universal service that are premised on prior Commission decisions that will be under reconsideration, even after this order. I fear that the institutional and analytical inertia inherent in programs of this magnitude may make it near impossible to turn back some of these initiatives if it is determined, upon further reflection, that these programs are not fully consistent with our Congressional mandate. Nevertheless, I look forward to examining universal service more thoroughly in the context of the Stevens Report, which is due to the Congress in April of next year, and I urge my colleagues to do the same.